March 30, 1991

Mr. Thomas Geishecker Chief, Technical Support Section Office of Superfund U.S. EPA, Region V 230 South Dearborn Street Chicago, IL 60604

Mr. Joseph A. Kawecki U.S. EPA, Region V 230 South Dearborn Street Chicago, IL 60604

Re: Letter Dated March 27, 1991

Dear Mr. Geishecker and Mr. Kawecki:

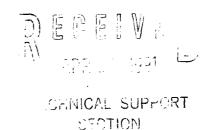
On March 28, Gary Development Company, Inc., received Mr. Geishecker's letter of March 27 demanding a response to an earlier request for information as to any hazardous waste disposed of at Gary Development's landfill facility. GDC does not have documentation available to respond to this request, nor specific knowledge as to what does and does not constitute hazardous waste.

On December 18, 1990, a hearing was completed at Gary, Indiana, before Judge J. F. Greene of U.S. EPA, Washington, D.C., in Region V Docket No. V-W-86-R-45. This hearing involved a Complaint and Compliance Order issued against Gary Development by the Region V Director of Waste Management Division. The major dispute in this litigation is whether records of third parties other than GDC substantiate Region V's claim that hazardous waste was disposed of at the GDC facility between November, 1980 and January, 1983. In its Complaint and based upon the transcript at the hearing, Region V's allegations are that GDC disposed of the following waste:

1. 300,000,000 gallons of Jones and Laughlin decanter tar sludge alleged to be K087 waste between November 1, 1980, and March, 1982.



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- 2. 37 shipments consisting of 120,000 gallons of American Chemical Services paint sludge alleged to be F005 waste between December, 1980 and November, 1981.
- 3. 760,000 gallons of calcium sulfate sludge, 900 cubic yards of rubber battery chips and 200 cubic yards of reverb slag from U.S.S. Lead Refinery alleged to be D008 waste between November 20, 1980, and January, 1983.

In the litigation, GDC has contested these allegations of Region V. A resolution of this dispute is pending decision before Judge Greene. Briefs are now to be submitted by Region V and GDC's counsel on April 26, and reply briefs on May 24, 1991. Marc M. Radell of Region V's Office of Regional Counsel and a Mr. Cooper with Region V are in possession of the third party records and documents which Region V believes substantiate its contentions.

Very truly yours,

GARY DEVELOPMENT COMPANY, INC.

Larry Hagen

LH/eu

cc: Beth Henning

Office of Region Counsel

U.S. EPA, Region V